

**Long-Term Debt**

At the end of FY 2004, the City's total outstanding debt was \$245.7 million, with \$126.1 million of business-type activities debt supported by the individual funds, resulting in net bonded debt for governmental activities of \$119.6 million. Capital leases of \$1.9 million for the regional radio system joint venture and \$6.5 million for the human services facility were included in outstanding debt, while liabilities for compensated absences and workers' compensation of \$4.4 million, and landfill closure liability of \$2.6 million were excluded.

Lynchburg's Outstanding Debt
General Obligation and Revenue Bonds
As of June 30, 2004/2003
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Percentage Change
	2004	2003	2004	2003	2004	2003	2004-2003
General Obligation Bonds	\$ 100.3	\$ 85.2	\$ 66.9	\$ 64.1	\$ 167.2	\$ 149.3	11.99%
Revenue Bonds	-	-	59.2	52.9	59.2	52.9	11.91%
Literary Bonds	0.2	0.2	-	-	0.2	0.2	0.00%
General Obligation Notes	7.5	0.6	-	-	7.5	0.6	1150.00%
Note Payable	3.2	-	-	-	3.2	-	100.00%
Capital Lease	8.4	2.1	-	-	8.4	2.1	100.00%
Total	<u>\$119.6</u>	<u>\$88.1</u>	<u>\$126.1</u>	<u>\$117.0</u>	<u>\$245.7</u>	<u>\$205.1</u>	<u>19.78%</u>

During FY 2004, the City retired \$13.5 million of outstanding principal through planned retirements. The City issued \$54 million of new long-term debt. The new debt included \$8.5 million of revenue bonds from the Virginia Revolving Loan Program for Sewer activities, a \$7.5 million bond anticipation note for the Schools, and general obligation bonds of \$28.2 million. The general obligations bonds consisted of \$21.1 million for governmental activities and \$7.1 million for business-type activities. In addition, \$14.1 million of the \$28.2 million in new debt retired the \$12.2 million of governmental activities and the \$1.9 million of business-type activities outstanding principal balances on the line-of-credit interim financing instrument. A capitalized lease of \$6.6 million for a human services facility and a \$3.2 million note payable for the BluffWalk Hotel/Restaurant Center downtown revitalization project were additional governmental activities new debt obligations. The City refinanced seven (7) revenue bond issues from the Virginia Revolving Loan Program for sewer capital projects. The refinancing changed the maturity from a twenty-year (20) to a thirty-year (30) amortization schedule for the zero percent interest rate loans, which had an outstanding balance of \$29.1 million at the end of FY 2004.

The City's general obligation bonds continued to maintain an Aa3 rating from Moody's Investors Service, an AA rating from Standard and Poor's Rating Service and an AA rating from Fitch Investors. A City Council-adopted policy provides that tax-supported debt should not exceed 5% of net assessed valuation of taxable property in the City. As of the end of FY 2004, outstanding tax-supported debt was 2.76% of net assessed valuation.

**Long-Term Liabilities****General Obligation Bonds:**

Details of general obligation bonds of the City at June 30, 2004 are as follows:

General Obligation Bonds	Interest Rates	Date Issued	Final Maturity Date	Amount of Original Issue	Primary Government					
					Public Improvements	School Facilities	Proprietary Funds	Total All Funds		
Bond anticipation note										
Public Improvement BAN	3.00%	06/01/2004	2006	\$ 7,500,000	\$ -	\$ 7,500,000	\$ -	\$ 7,500,000		
Serial Bonds										
VPSA	4.90 - 6.35%	11/12/1992	2012	458,292	-	227,951	-	227,951		
VRA Public Improvement	4.50%	03/24/1994	2016	3,976,369	-	-	2,854,113	2,854,113		
VPSA	6.25% - 6.75%	11/22/1994	2014	2,100,362	-	1,269,285	-	1,269,285		
Public Improvement Bonds	5.35% - 6.50%	01/01/1995	2015	9,800,000	196,809	550,000	233,191	980,000		
Taxable Refunding Bonds	5.40% - 6.75%	01/01/1996	2014	7,150,000	-	4,590,000	-	4,590,000		
Public Improvement Bonds	4.30 - 4.90%	02/01/1996	2016	5,000,000	2,902,800	-	97,200	3,000,000		
Public Improvement Bonds	4.60 - 5.40%	02/15/1997	2017	16,000,000	3,445,000	4,680,000	2,535,000	10,660,000		
Public Improvement Bonds	4.00 - 5.00%	04/01/1998	2018	33,855,000	8,596,144	7,035,515	13,243,341	28,875,000		
Public Improvement Bonds	4.25 - 5.00%	06/01/1999	2019	17,805,000	6,153,095	2,142,657	5,479,248	13,775,000		
Public Improvement Bonds	5.25 - 5.75%	07/18/2000	2030	14,405,000	5,469,405	2,375,595	5,175,000	13,020,000		
Public Improvement Bonds	4.00 - 4.875%	08/16/2001	2031	14,620,000	-	1,888,866	12,211,134	14,100,000		
VPSA Bonds	3.10 - 5.35%	11/15/2001	2021	3,473,329	-	3,155,648	-	3,155,648		
VPSA Bonds	2.35 - 5.10%	11/07/2002	2023	6,513,732	-	6,214,869	-	6,214,869		
Refunding Bonds	2.00 - 5.00%	02/01/2003	2014	23,670,000	6,450,434	756,763	12,907,803	20,115,000		
Public Improvement Bonds	2.5 - 4.625%	02/01/2003	2033	16,745,000	8,805,000	2,310,000	5,035,000	16,150,000		
Public Improvement Bonds	3.0 - 5.00%	06/01/2004	2034	28,160,000	10,975,000	10,060,000	7,125,000	28,160,000		
Totals					\$ 52,993,687	\$ 54,757,149	\$ 66,896,030	\$ 174,646,866		

**Long-Term Liabilities****General Obligation Bonds (continued):**

Bonds issued between 1992 and 2004 are callable subject to a maximum premium of 2%.

Authorized and unissued general obligation public improvement bonds and public utility revenue bonds amounted to \$23,755,000 and \$5,888,256 respectively, at June 30, 2004.

The Commonwealth imposes a legal limit of 10% of assessed valuation on the amount of general obligation borrowings that may be issued by the City. As of June 30, 2004, the City's aggregate general obligation indebtedness was \$162,927,165 less than the state limit. There are no overlapping or underlying tax jurisdictions.

Revenue Debt:

Details of the revenue debt of the Enterprise Funds at June 30, are as follows:

	Interest Rates	Date Issued	Maturity Date	Original Issue	
Virginia Resources Authority:					
Public Utility Revenue Bonds	0.00%	03/28/1995	2026	\$ 6,571,000	\$ 4,025,766
Public Utility Revenue Bonds	0.00%	08/10/1995	2028	10,000,000	6,900,794
Public Utility Revenue Bonds	0.00%	06/27/1996	2028	8,000,000	5,341,891
Public Utility Revenue Bonds	3.00%	07/17/1997	2020	14,108,460	12,071,465
Public Utility Revenue Bonds	3.00%	06/02/1999	2020	2,591,540	2,115,102
Public Utility Revenue Bonds	0.00%	07/17/1997	2029	7,591,540	5,802,213
Public Utility Revenue Bonds	0.00%	08/01/1998	2030	6,203,000	5,034,557
Public Utility Revenue Bonds	0.00%	09/02/1999	2021	5,300,000	4,742,105
Public Utility Revenue Bonds	0.00%	03/15/2001	2031	735,000	634,144
Public Utility Revenue Bonds	3.50%	06/08/2001	2021	2,835,000	2,652,803
Public Utility Revenue Bonds	0.00%	11/06/2001	2033	1,413,613	1,331,552
Public Utility Revenue Bonds	0.00%	09/15/2003	2035	2,500,000	2,500,000
Public Utility Revenue Bonds	0.00%	05/20/2004	2037	6,000,000	6,000,000
Total Revenue Debt:				\$	59,152,392

The revenue bonds have been issued in accordance with the terms of an indenture agreement with the Virginia Resources Authority (VRA) of the Commonwealth of Virginia. The indenture agreement requires the City to pledge its Sewer Fund Revenues as collateral for the revenue bonds and to maintain debt coverage in the Sewer Fund equal to at least 1.15 of all debt service payments. As show below, the debt coverage ratio for the year ended June 30, 2004 was 1.33.

Sewer Fund Operating Income	\$ 3,648,632
Add:	
Depreciation and amortization	3,662,382
Interest income received	200,511
Capital contributions from members - Regional Sewerage Treatment Plant	272,336
Governmental grants and miscellaneous income	142,053
Net revenue per indenture	<u>\$ 7,925,914</u>
Net principal and interest payments (excluding principal and interest payments on line of credit)	<u>\$ 5,955,878</u>
Debt coverage	<u>1.33</u>

**Long-Term Liabilities (Continued)**Primary Government:

The following is a summary of changes in long-term liabilities for the year ended June 30:

	Restated Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Governmental Activities					
Bond anticipation notes payable	\$ 610,000	\$ 7,500,000	\$ 610,000	\$ 7,500,000	\$ -
General obligation bonds payable	85,006,119	21,035,000	5,790,283	100,250,836	7,147,653
Notes payable*	-	3,200,000	-	3,200,000	-
State literary fund loans payable	224,737	-	58,275	166,462	39,525
Adjust for deferred amounts:					
Issuance premiums	657,865	-	60,838	597,027	-
On refunding	(371,685)	-	(65,820)	(305,865)	-
Total bonds and notes payable	86,127,036	31,735,000	6,453,576	111,408,460	7,187,178
Workers' compensation payable	581,159	242,413	510,896	312,676	78,904
Vacation pay liability	3,897,888	4,274,214	4,560,779	3,611,323	433,359
Capitalized lease obligations	2,186,629	6,600,000	390,408	8,396,221	466,863
	<u>\$ 92,792,712</u>	<u>\$ 42,851,627</u>	<u>\$ 11,915,659</u>	<u>\$ 123,728,680</u>	<u>\$ 8,166,304</u>
	Restated Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Business-Type Activities					
General obligation bonds payable	\$ 64,140,522	\$ 7,125,000	\$ 4,369,492	\$ 66,896,030	\$ 5,263,816
Public utility revenue bonds payable	52,972,747	8,500,000	2,320,355	59,152,392	2,326,434
Adjust for deferred amounts:					
Issuance discounts	(442,586)	-	(34,941)	(407,645)	-
Issuance premiums	473,620	-	44,751	428,869	-
On refunding	(833,280)	-	(105,458)	(727,822)	-
Total bonds and notes payable	116,311,023	15,625,000	6,594,199	125,341,824	7,590,250
Workers' Compensation payable	-	94,623	-	94,623	21,361
Vacation pay liability	416,206	510,032	527,571	398,667	47,839
Landfill closure – open landfill	2,226,726	348,643	-	2,575,369	-
Landfill closure – closed landfill	79,817	-	-	79,817	79,817
	<u>\$ 119,033,772</u>	<u>\$ 16,578,298</u>	<u>\$ 7,121,770</u>	<u>\$ 128,490,300</u>	<u>\$ 7,739,267</u>

* A note receivable was obtained concurrent with the issuance of this note payable. Neither instrument provided or consumed current financial resources, and therefore are not reflected in the fund statements. The note receivable is included in other assets on the government-wide statement of net assets.

**Long-Term Liabilities (Continued)**Debt Service to Maturity:

Following is a summary of debt service to maturity for long-term debt:

Year Ending June 30	Governmental Activities			
	Governmental Obligation		Literary Fund Loans	
	Principal	Interest	Principal	Interest
2005	\$ 7,147,653	\$ 4,913,763	\$ 39,525	\$ 6,248
2006	14,472,136	4,710,946	39,525	4,870
2007	7,184,187	4,211,204	19,000	3,496
2008	6,948,638	3,936,094	19,000	2,736
2009	6,670,386	3,619,118	19,000	1,976
2010-2014	32,262,517	13,384,861	19,000	1,216
2015-2019	22,523,734	6,353,489	11,412	456
2020-2024	10,451,585	2,061,461	-	-
2025-2029	2,815,000	520,444	-	-
2030-2034	475,000	59,885	-	-
Total	\$ 110,950,836	\$ 43,771,265	\$ 166,462	\$ 20,998

Year Ending June 30	General Obligation Bonds							
	Enterprise Funds							
	Sewer Fund		Water Fund		Solid Waste Management Fund		Airport Fund	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$ 2,282,136	\$ 1,315,522	\$ 1,492,883	\$ 1,083,241	\$ 1,157,612	\$ 287,927	\$ 331,185	\$ 105,961
2006	2,176,202	1,245,378	1,455,359	1,034,321	1,013,551	251,809	318,595	98,619
2007	2,263,821	1,176,737	1,579,290	985,673	995,824	221,377	312,370	88,126
2008	2,105,810	1,106,207	1,503,594	933,379	975,053	190,205	277,397	78,416
2009	1,875,776	1,014,619	1,334,483	864,920	656,616	142,579	234,711	65,426
2010-2014	8,239,478	3,917,006	5,878,863	3,450,165	2,302,917	304,223	957,717	155,108
2015-2019	5,743,701	2,397,723	4,176,565	2,259,483	293,717	13,262	267,678	44,012
2020-2024	3,243,507	1,466,479	2,465,157	1,452,787	-	-	-	-
2025-2029	2,991,475	808,589	2,652,990	811,599	-	-	-	-
2030-2034	1,698,000	174,679	1,642,000	186,624	-	-	-	-
Total	\$ 32,619,906	\$ 14,622,939	\$ 24,181,184	\$ 13,062,192	\$ 7,395,290	\$ 1,411,382	\$ 2,699,653	\$ 635,668

**Long-Term Liabilities (Continued)**Debt Service to Maturity: (Continued)

Year ending June 30	Revenue Bonds	
	Sewer Fund	
	Principal	Interest
2005	\$ 2,326,434	\$ 511,992
2006	2,435,978	485,781
2007	2,463,002	458,757
2008	2,690,864	430,895
2009	2,719,591	402,168
2010-2014	14,061,049	1,547,746
2015-2019	14,925,419	683,378
2020-2024	8,940,232	26,118
2025-2029	6,085,690	-
2030-2034	1,820,802	-
2035-2037	683,331	-
Total	<u>\$ 59,152,392</u>	<u>\$ 4,546,835</u>

Notes payable, bank:

In July 2002, the City issued a general obligation note to SunTrust Bank and concurrently entered into a financing agreement with the Bank. The agreement provides for borrowings of up to \$15,000,000 to provide interim financing for qualifying capital improvements. Interest is equal to the tax-exempt note rate as defined in the agreement, plus 0.45%, up to a maximum of 4%, payable in arrears, on a monthly basis. All outstanding amounts are due at final maturity on August 30, 2007. There are no amounts outstanding at June 30, 2004. All principal interim borrowings on the line of credit during FY 2004 were retired on June 23, 2004, with proceeds from the 2004 bond issue. Principal activity on the line of credit during FY 2004 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
City Capital Projects Fund	\$ -	\$ 2,605,000	\$ (2,605,000)	\$ -
School Capital Projects Fund	-	9,599,000	(9,599,000)	-
Total Governmental Activities	<u>\$ -</u>	<u>\$ 12,204,000</u>	<u>\$ (12,204,000)</u>	<u>\$ -</u>
Water Fund	\$ -	\$ 1,128,694	\$ (1,128,694)	\$ -
Sewer Fund	-	773,306	(773,306)	-
Total Business-Type Activities	<u>\$ -</u>	<u>\$ 1,902,000</u>	<u>\$ (1,902,000)</u>	<u>\$ -</u>

**Long-Term Liabilities (Continued)****Bond Anticipation Notes:**

In June 2004, the City issued \$7,500,000 general obligation bond anticipation notes maturing on June 1, 2006 for interim financing of school renovation projects. The notes bear interest at the rate of 3% per annum. The notes have been issued in anticipation of securing permanent financing through the Virginia Public School Authority ("VPSA") loan program.

Component Unit – Lynchburg City Schools:

The following is a summary of other long-term liabilities for the year ended June 30:

	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Vacation pay liability	\$ 465,443	\$ 68,077	\$ -	\$ 533,520	\$ -
Capital lease obligations	2,061,890	-	737,511	1,324,379	568,006
	<u>\$ 2,527,333</u>	<u>\$ 68,077</u>	<u>\$ 737,511</u>	<u>\$ 1,857,899</u>	<u>\$ 568,006</u>

Computation of Legal Debt Margin***Year Ended June 30, 2004***

Total assessed value of real estate	<u>\$ 3,302,404,927</u>
Legal Debt Limit - 10% of total assessed value of real estate	330,240,493
Less bonded debt as of June 30, 2004	<u>(167,313,328)</u>
Legal debt margin	<u>\$ 162,927,165</u>



**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL FUND BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES, TRANSFERS TO SCHOOL OPERATING FUND, AND RESERVE ALLOCATIONS.
LAST TEN FISCAL YEARS**

UNAUDITED

Fiscal Year	Principal	Interest ⁽¹⁾	Total Debt Service	Total General Fund Expenditures and Transfers ⁽²⁾	Ratio of Debt Service to Total General Fund Expenditures and Transfers ⁽³⁾
2004 ⁽⁸⁾	\$ 6,245,066	\$ 3,801,676	\$ 10,046,743	\$ 141,124,882	7%
2003 ⁽⁷⁾	\$ 6,810,819 ⁽⁴⁾	\$ 3,862,166	\$ 10,672,981	\$ 136,036,068	8%
2002	\$ 7,170,673	\$ 4,070,888	\$ 11,241,561	\$ 114,907,592	10%
2001	\$ 5,528,883	\$ 3,846,500	\$ 9,375,383	\$ 118,766,574	8%
2000	\$ 5,566,054	\$ 3,543,009	\$ 9,109,063	\$ 112,208,412	8%
1999	\$ 6,233,829	\$ 3,481,876	\$ 9,715,705	\$ 104,639,900	9%
1998	\$ 6,317,424	\$ 3,684,107	\$ 10,001,531	\$ 107,918,885	9%
1997	\$ 5,235,179	\$ 3,546,016	\$ 8,781,195	\$ 98,253,772	9%
1996 ⁽⁵⁾	\$ 6,347,441	\$ 3,404,227	\$ 9,751,668	\$ 97,292,266	10%
1995 ⁽⁶⁾	\$ 5,920,256	\$ 3,308,839	\$ 9,229,095	\$ 87,472,398	11%

⁽¹⁾ Excluding bond issuance and other costs.

⁽²⁾ Includes all General Fund expenditures, operating transfers out, and transfers to component units.

⁽³⁾ Per the City of Lynchburg's Financial Management Policies Adopted August 10, 1999, and reaffirmed on November 14, 2000.

Annual debt service expenditures for tax-supported debt should not exceed 10% of the following:
Total General Fund Expenditures plus (a) transfers to the School Operating Fund
and (b) Reserve Allocations.

⁽⁴⁾ Principal excludes pay-off of bond anticipation note in the amount of \$7,500,000, and refunded General Fund and School debt in the amount of \$8,747,533.

⁽⁵⁾ Principal payments exclude \$6,658,599 of school retirement incentive liability.

⁽⁶⁾ Principal payments exclude pay-off of bond anticipation note in the amount of \$5,725,000.

⁽⁷⁾ Debt service payments for General Fund and Schools for FY 2003 exclude refunded debt payments of \$7,821,520 and \$926,012 respectively.

⁽⁸⁾ Debt service payments for General Fund and Schools for FY 2004 exclude principal repayments made on the City's interim line of credit as follows:

	Principal	Interest	Total
General	\$ 2,605,000	\$ 2,745	\$ 2,607,745
Schools	\$ 9,599,000	\$ 55,876	\$ 9,654,876



Debt Service

	Per 6/30/04	2005 ⁽²⁾	2005	Less:	2006
General Fund	Debt Book ⁽¹⁾	Bond Issue ⁽³⁾	Line of Credit	Savings from Refunding	Budget
1001-7450					
Principal	3,550,042			(145,184)	3,404,858
Interest	1,817,120	279,000	60,000		2,156,120
Human Service Lease Principal	239,399				239,399
Human Service Lease Interest	233,277				233,277
Debt Service Charges	5,984				5,984
Total					\$6,039,639

	Per 6/30/04	2005		Less:	2006
E-911 Fund - Bonds	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
2017-7450					
Principal	111,936			(7,607)	104,329
Interest	52,708				52,708
Debt Service Charges					
Total					\$157,037

	Per 6/30/04	2005		Less:	2006
E-911 Fund - Leases *	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
2017-7450					
Principal	219,732				219,732
Interest	49,869				49,869
Debt Service Charges	1,600				1,600
Total					\$271,201

* Regional Radio Lease Debt was refinanced in August 2004. FY 2006 budget totals are from revised from what is in the FY 2004 Debt Book

	Per 6/30/04	2005		Less:	2006
Detention Home Fund	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
2022-7450					
Principal	148,730			(21,171)	127,559
Interest	123,223				123,223
Debt Service Charges	10				10
Total					\$250,792

	Per 6/30/04	2005		Less:	2006
Airport Fund	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
4030-7450					
Principal	339,507				339,507
Interest	105,383				105,383
Debt Service Charges	100				100
Total					\$444,990

**Debt Service (continued)**

	Per 6/30/04	2005		Less:	2006
Solid Waste Fund	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
4009-7450					
Principal	1,013,551			(11,299)	1,002,252
Interest	251,809				251,809
Debt Service Charges	500				500
Total					\$1,254,562

	Per 6/30/04	2005 ⁽²⁾		Less:	2006
Water Fund	Debt Book ⁽¹⁾	Bond Issue ⁽³⁾		Savings from Refunding	Budget
4015-7450					
Principal	1,455,359			(65,059)	1,390,300
Interest	1,034,321	215,000			1,249,321
Debt Service Charges					
Total					\$2,639,621

	Per 6/30/04	2005 ⁽²⁾		Less:	2006
Sewer Fund	Debt Book ⁽¹⁾	Bond Issue ⁽³⁾		Savings from Refunding ⁽⁴⁾	Budget
4020-7450					
G.O. Principal	2,176,202			(75,726)	2,100,476
G.O. Interest	1,245,378	50,000			1,295,378
Rev. Principal	2,435,978				2,435,978
Rev. Interest	485,781				485,781
Debt Service Charges					0
Total					\$6,317,613

	Per 6/30/04	2005	Interfund Loan:	Less:	2006
Stadium Fund	Debt Book ⁽¹⁾	Bond Issue	Skyboxes	Savings from Refunding	Budget
2026-7450					
Principal	75,610		5,277		80,887
Interest	129,726		15,343		145,069
Total					\$225,956

	Per 6/30/04	2005		Less:	2006
Fleet Services Fund	Debt Book ⁽¹⁾	Bond Issue		Savings from Refunding	Budget
5003-7450					
Principal	120,000				120,000
Interest	47,608				47,608
Total					\$167,608

**Debt Service (continued)**

2005 City Schools Debt Appropriation					
	Per 6/30/04 Debt Book ⁽¹⁾	2005 ⁽²⁾ Bond Issue ⁽³⁾	2,005 Line of Credit	Less: Savings from Refunding	2006 Budget
1001-7450					
Principal	3,005,343			(96,690)	2,908,653
Interest	2,383,982	202,000	45,000		2,630,982
Total School Debt Service					5,539,635
Plus:					
Debt Service Charges	3,000				3,000
Local City Share for School Debt Service					\$5,542,635

(1) Information for existing debt per the City's Debt Book as of 6/30/04.

(2) Information for 2005 bond issue per 2005-2010 CIP.

(3) Anticipated issue date for the FY 2005 issue is August 2005.



HISTORICAL QUOTE:

“Be it enacted by the General Assembly...that the mayor, recorder, aldermen and common councilmen...are hereby made a body corporate and politic, by the name of the Mayor and Commonality of the town of Lynchburg...[they] shall have power to erect work houses, houses of correction, prisons and other public buildings....And be it further enacted, that all half acre lots of land, as the same were laid off adjoining the said town, by John Lynch, shall, so soon as a connected plan of the said lots be duly admitted to record in the court of Campbell county, be added to, incorporated with, and considered as a part of, the said town.”

An Act for incorporating the town of Lynchburg, and enlarging the same.

January 10, 1805

-- S. Allen Chambers, Lynchburg An Architectural History, University Press of Virginia, 1982.